



Thomas Sattelberger
Member of the Board of Management
Human Resources
Deutsche Telekom AG

Arvind Ganesan, Director
Business and Human Rights Division
Human Rights Watch
350 Fifth Avenue, 34th Floor
New York, NY 10118-3299

July 29, 2010

Dear Mr. Ganesan,

Thank you for your letter of July 9, 2010 in which you request an update and comments regarding certain past events associated with the union organizing activities by the Communications Workers of America (CWA) at our T-Mobile USA, Inc. (TMUS) operations. We note that this follows your letter of February 8, 2009 and responses from Larry Myers on February 23, 2009 and the undersigned on February 25, 2009.

As you are undoubtedly aware from your research, Deutsche Telekom AG has operations in 50 countries, each with distinctive laws governing unions and workers' rights to both join, or refrain from joining, labor organizations. Let me assure you once again that Deutsche Telekom and TMUS, as well as all of our worldwide subsidiaries, respect its employees' rights in accordance with our Social Charter, international standards, and the laws of their respective countries.

I noted in your letter the statements that "some features of U.S. labor law" and some permissible employer conduct do not conform to international standards on workers' freedom of association. We are uncertain which features of U.S. labor law and what employer conduct you are referring to. To the extent that you suggest that international standards somehow prevent an employer from exercising free expression in the form of facts and opinions about unions, we would disagree with that assertion. The ILO has made it clear that the principle of freedom of association does not mean an employer must remain silent when its employees are making a decision about whether to associate with a labor organization. Rather, international standards encourage the freedom of opinion and expression by all parties involved in the discussion, including the employer. The basis for this conclusion flows from ILO decisions, summarized in *Annex 1*. Further, while I do not argue with your right to hold a different opinion, to the extent that you contend that U.S. labor law is unsatisfactory, it is clear that the solution therefore logically and appropriately lies within the U.S. federal legislative process. Multinational companies, like Deutsche Telekom, who comply with National law as it now exists, should not be criticized for their compliant behavior.

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Let me restate our position: TMUS employees, like employees at Deutsche Telekom, have the freedom to associate with whomever they wish and to seek union representation if they so desire. Those employees in the U.S. are also free to reject union representation, as they have thus far apparently decided to do. TMUS has and will abide by both the letter and spirit of U.S. labor law, under which it is ultimately the employees' collective decision whether or not to support a union.

I note that not only are the labor laws of Germany and the United States different, but I've observed that the conduct of unions and their officials are as well. This might have a lot to do with the very different role trade unions play in Germany where German unions' involvement in various aspects of society seems to have created a more respectful and constructive approach by union representatives, even when both parties disagree. In the United States, we have seen a series of union authored or encouraged press releases, websites, letters and "reports" filled with inaccuracies, misstatements and distortions. Beyond the extensive factual shortcomings, we note the union's use of inflammatory rhetoric such as "violent" and "brutal." Management cannot remain silent in the face of such malicious characterizations. This might have a lot to do with the significant loss of union presence in the U.S., which I believe now stands at less than 8% of the national private sector workforce, which has led to unions' use of such unsupportable hyperbole. However, the union's desperation does not justify the disparagement of TMUS, a good employer with multiple awards as a best place to work (*Annex 2*).

You have asked a few questions in your letter, which we will attempt to briefly answer:

- The document referred to in Mr. Myers' March 20, 2009 letter to Senator John Kerry has not been used since 2006. It was replaced, first by a different manual, and then by training for managers on how to ensure their conduct is and remains in full compliance with current U.S. law. TMUS has not been able to locate any communications to managers halting the use of the document in question.
- The May 30, 2008 email was sent from an HR manager to retail managers in one local market comprised of 11 (currently 10) stores. The geographic area of the Pacific Northwest and Southwest Retail Divisions at that time spanned Washington, Oregon, California, Arizona, Utah, Idaho, Nevada and Hawaii and was comprised of approximately 480 stores.

As explained to the CWA by letter on July 24, 2008, TMUS recognized that the HR manager's message to the Portland store managers could have been misinterpreted, and therefore the company promptly reminded managers in that market that employees are not expected to report union activities. It was not intended to seek reports of protected union activity nor did it prompt any such reports. It was intended to request employees report any violation of the company's content-neutral no-solicitation policy in retail areas during store hours. TMUS's posted policy prohibits all third party solicitation, regardless of the nature of the solicitation or the organization involved, as it interferes both with employees and with the customers who they are there to serve. In this case, it was CWA solicitors who were violating this policy in a specific market, and for that reason the HR manager's communication addressed union solicitation.



The website of the Human Rights Watch notes the organization is known for its "meticulous field research", "accurate fact-finding" and "impartial reporting". You may be interested then in the recent work of recognized experts in both German and American labor law. Prof. Dr. Gregor Thüsing's thorough analysis of April 2010 was requested by Deutsche Telekom, and a brief summary is provided in *Annex 3*. An additional independent expert assessment, requested by TMUS, was completed in March 2010 by Mr. Arthur F. Rosenfeld, former general counsel for the National Labor Relations Board, and is provided in *Annex 4*. These independent, expert analyses firmly establish that T-Mobile USA is compliant with the spirit and the letter of U.S. labor law and international labor standards.

On behalf of Deutsche Telekom and T-Mobile USA, I am pleased to provide you this additional information in the hope that it leads to the impartial reporting your organization prides itself on.

Yours sincerely,

A handwritten signature in black ink, appearing to read "G. Thüsing". The signature is stylized and written in a cursive-like font.